

**SUPPLEMENTAL DIRECT TESTIMONY
OF
MICHAEL J. GETZ
ON BEHALF OF
CENTRAL ILLINOIS LIGHT COMPANY
DOCKET NO. 01-0465**

- 1 Q1. Please state your name and address.
- 2 A1. Michael J. Getz, 300 Liberty Street, Peoria, Illinois 61602
- 3 Q2. By whom are you employed and in what capacity?
- 4 A2. I am employed by Central Illinois Light Company (CILCO) as an Accounting
- 5 Team leader for the Energy Delivery Unit.
- 6 Q3. Are you the same Michael J. Getz that previously submitted direct testimony in
- 7 this proceeding?
- 8 A3. Yes, I am.
- 9 Q4. What is the purpose of your supplemental direct testimony?
- 10 A4. The purpose of this supplemental testimony is modify my exhibits to reflect the
- 11 changes proposed by Staff and accepted by CILCO pertaining to the allocation of
- 12 the General Office facility between gas and electric distribution business
- 13 functions. I have attached revised page 2 of Exhibit 2.1 and new Exhibit 2.3 that
- 14 reflect the impact of the changes.
- 15 Q5. Why was the allocation of the General Office facility changed?
- 16 A5. After reviewing the Company's filing, the ICC staff proposed that the General
- 17 Office facility should be allocated in the same manner as other common plant
- 18 service center facilities. The basis for splitting these facilities is a 50% split
- 19 between electric and gas based upon customers rather than net plant. The amounts

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CILCO Exhibit No. 2.2

Witness _____

Date 7-25-01 Reporter CB

20 affected by this change were not significant and CILCO accepts this as a
21 reasonable method to allocate costs at this time.

22 Q6. Why is this allocation method appropriate for common plant facilities?

23 A6. In discussions with the ICC staff, the Company agreed that this methodology
24 would present an appropriate allocation of costs based upon the numbers of
25 CILCO customers. An analysis of labor (payroll) cost related to the distribution
26 function also mirrored the customer allocation factor. The average numbers of
27 customers for the year 2000 were 199,876 for electric or 49.3%, and 205,375 for
28 gas or 50.7%. Distribution payroll costs for the year of 2000 were \$14,347,959
29 for electric or 52%, and \$13,242,335 for gas or 48%. These factors tend to offset
30 each other with a middle ground or average of 50% to electric and 50% to gas.

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32 Q7. How do the electric general and common plant amounts allocated to electric
33 distribution in the year 2000 compare to the year 1997?

34 A7. In 1997, CILCO had approximately \$24 million of electric general plant and \$42
35 million of common plant. Of this total, \$36 million or 55% was allocated to
36 electric distribution. In 2000, CILCO had approximately \$26 million of electric
37 general plant and \$68 million of common plant. Of this total, \$52 million or 56%
38 was allocated to electric distribution (see CILCO Exhibit 2.4). The increased
39 dollar amounts were due primarily to computer systems put in service for the
40 distribution function since 1997 to address Y2K issues.

41 Q8. Does this conclude your supplemental direct testimony?

42 A8. Yes it does.